

28 July 1953

MEMORANDUM FOR THE RECORD

SUBJECT : Personnel Ceiling

REFERENCE: Memo dtd 30 Jun 53 to Director, Bureau of the Budget, from Congressman John Taber, Chairman, House Appropriations Committee.

1. On 27 July 1953 the Director, Mr. Dulles, discussed with Mr. John Taber, Chairman, House Appropriations Committee, the personnel ceiling placed on CIA by his Committee. Following his return from this meeting Mr. Dulles advised me that Mr. Taber had indicated no recollection of having placed such a restriction on CIA and believed that the note to which Mr. Dulles referred must have been written by the Bureau of the Budget. After emphasizing to Mr. Taber that this was an unsigned note which he had transmitted to the Bureau of the Budget and that this point had been verified during a discussion between Mr. Sprinkle and Colonel White, Mr. Taber agreed that the CIA personnel ceiling was a matter which CIA should work out with the Bureau of the Budget and that he would have no objection to any reasonable arrangement made with that agency. Mr. Dulles requested that I contact Mr. Sprinkle and appropriate personnel in the Bureau of the Budget and resolve this problem. He informed me that Mr. Sprinkle had entered Mr. Taber's office during this discussion and that he (Dulles) had restated the agreements reached with Mr. Taber primarily for Mr. Sprinkle's benefit. No objection was offered on the part of either Mr. Taber or Mr. Sprinkle.

2. On 28 July 1953 I telephoned Mr. Sprinkle to discuss the matter. At first Mr. Sprinkle was hostile to the suggestion that CIA should deviate from Mr. Taber's written note. He stated that he did not know what had been agreed upon between the Director and Mr. Taber, inasmuch as he had entered the room as Mr. Dulles was leaving. He stated he did recall Mr. Dulles saying that he had discussed the subject of CIA's relief from its personnel ceiling with the Chairman. I told Mr. Sprinkle that it was my understanding that Mr. Dulles had restated the agreements which had been reached for his benefit and that he had hoped to have a mutual understanding with him and the Bureau of the Budget as to how we should proceed. Mr. Sprinkle persisted in his

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position that insofar as he knew the written memorandum which had been sent to the Bureau of the Budget by the Committee should hold and that he did not see why we needed to have relief. I told him that I regretted that he took this position but, based upon instructions which I had from Mr. Dulles as a result of his agreements with Mr. Taber, I felt that I had no alternative but to make a Memorandum for the Record of our conversation and proceed to work out this matter with the Bureau of the Budget. Mr. Sprankle said that he guessed that would be satisfactory and that if the Committee wanted to take a position in writing and then change it orally there was nothing that he, as Acting Chief Clerk, could do about it. Finally, he said, "well go ahead and see what you can work out with the Bureau of the Budget and maybe they will let us know about it." I assured him that I would be glad to let him know what arrangements we made with the Bureau of the Budget. Our conversation ended on a relatively friendly note.

3. Shortly thereafter at the Deputies' Meeting, I reported the substance of this conversation to Mr. Dulles and requested that he dictate a memorandum for our files summarizing his conversation and the agreements reached with Mr. Taber; he agreed to do this.

4. Later on in the morning of 26 July Mr. Sprankle telephoned. His manner was entirely changed and, in fact, appeared to be completely friendly. He said that he had had a talk with the Chairman, Mr. Taber, since our previous telephone conversation and understood the position which Mr. Taber had taken with Mr. Dulles. His exact words with reference to this matter were, "I talked to the Chairman this morning about that and he had just plain forgotten that the last piece of language was on there. He said that he told them that if they wanted to work out a little relief with the Budget to go ahead." I thanked Mr. Sprankle for calling and told him that I would advise him in due time of the agreements we reached with the Bureau of the Budget. I also told him that if he had the time after Congress adjourned I would appreciate the opportunity of bringing him down to CIA and showing him some of the things that we were doing. He said that he was going on leave very shortly but would like to do this after he returned.

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L. K. WHITE
Acting Deputy Director
(Administration)

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